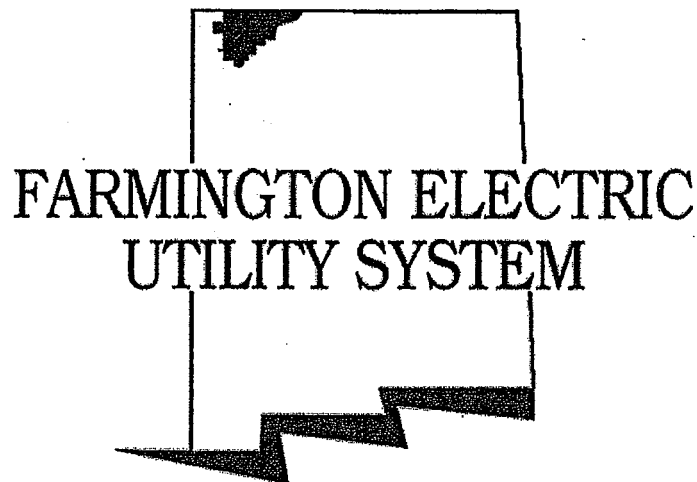


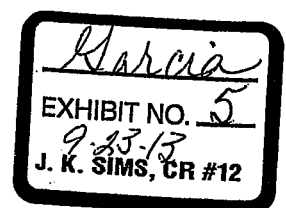
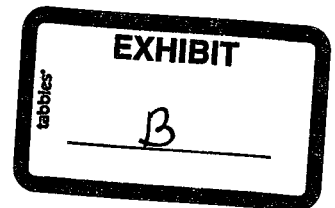
AGREEMENT
between
CITY OF FARMINGTON

A Municipal Corporation of New Mexico
which is the owner of the City of
Farmington Electric Utility System



and
**LOCAL UNION NO. 611 of the
INTERNATIONAL BROTHERHOOD of
ELECTRICAL WORKERS**

July 1, 2008 - June 30, 2012



GARCIA/COF 000001

the working rules, conditions or wages or any other term set forth in this Agreement shall give written notice to the other Party and upon mutual agreement, the Parties agree to endeavor to arrive at a satisfactory adjustment of the proposed change or changes within a reasonable time thereafter, and this Agreement may be amended upon terms mutually satisfactory to the Parties. Not more than 120 days nor less than 60 days before July 1, 2012, if either Party desires to enter into an agreement for a future term covering the matters embraced in this Agreement or any applicable matter which is neither part of this Agreement nor the City Personnel Rules and Regulations, the Party seeking the same shall notify the other in writing to such effect and if any changes or additions to the working rules, conditions, wages, or any other provision included in the Agreement is desired in any agreement to cover a future term, the Party shall specify the changes desired.

ARTICLE II - BASIC PRINCIPLES

Section 1. Recognition of the Union. The City recognizes the Union as a representative of the employees who are presently members of the Union or who may hereafter become members of the Union during the term of this Agreement and who are covered by this agreement in the City's Electric Transmission and Distribution, Electric Meter, Metering Services Work Group and Generation Division and jobs specifically hereinafter set out.

The City agrees that all persons hired for employment in the Transmission and Distribution, Electric Meter, Metering Services Work Groups and Generation Division of the Electric Utility System shall be required to meet the same skills and qualifications for a given job description as do members of the Union.

Section 2. Functions of Management.

- A. The Union and its members recognize the sole right of the City to determine its own operating policies and manage its business in the operation of such Electric Utility System in any and all respects and particularly but not limited to:
1. determine the qualifications and selection of its managerial and supervisory forces;
 2. determine the qualifications for and select and hire new employees;
 3. determine the qualifications for and select employees for promotion and transfer;
 4. determine the number of employees it will have in its service at any time;
 5. prepare and make available job specifications and establish job classifications;
 6. make rules and regulations governing the operation of its business and conduct of its employees, and revise and modify such rules and regulations from time to time as conditions may require;
 7. discharge employees and lay off employees because of lack of work or

consecutive hours and receive either one-half (½) or one (1) hour for lunch without pay, which shall not be considered as part of their regular working hours.

- A. Scheduled shift work may be established for periods of two (2) weeks or more. The hours of shift will be designated by the Generation Superintendent. The work day shall be eight (8) consecutive hours. The regular work week shall be forty (40) hours in any calendar week.

Rule 6. When the Maintenance Working Foreman is absent for four (4) hours or more, a Maintenance Technician or ICE Technician on the shift shall be designated as the Foreman and shall receive the Foreman's rate of pay.

Rule 7. The following classification descriptions contain less than minimal requirements and these de minimus requirements are not subject to change outside the Agreement. The complete job descriptions are located in the City's Human Resources Department. Classifications of employees in the Generation Division covered by this Agreement are as follows:

OPERATIONS TECHNICIAN II: Shall be a qualified Journeyman Operator designated as such for the rotating shift and is skilled in the operation of generating equipment and switchboard equipment at all utility facilities. Reads and interprets gauges and instruments and directs remedial action to be taken in case of malfunctions. Reads logs, gauges and instruments and reports any abnormalities to the Generation Superintendent or other authorized personnel. Trains and directs new personnel. Shall have passed the required written and skills tests for the position. The employees that are currently Senior Operators will be given reasonable time and adequate training to pass the skills test. If they are unable to pass, they will be demoted to Operations Technician I and will retain their pay rate until the Operations Technician I wage rate surpasses theirs.

OPERATIONS TECHNICIAN I: Shall be a qualified Journeyman operator designated as such for the rotating shift and is skilled in the operation of steam turbine generating equipment and switchboard equipment. Shall have satisfactorily passed the required written and skills tests for the position.

OPERATIONS TECHNICIAN – RELIEF: Shall be a qualified Journeyman Operator designated as such for relief of personnel on rotating shift and is skilled in the operation of generating equipment and switchboard equipment at all utility facilities. Reads and interprets gauges and instruments and directs remedial action to be taken in case of malfunctions. Reads logs, gauges and instruments and reports any abnormalities to the Generation Superintendent or other authorized personnel. Trains and directs new personnel. Shall have passed the required written and skills tests for the position. This assignment will be made by volunteer first.

OPERATIONS TECHNICIAN TRAINEE II: An employee skilled in Power Plant industrial process operations. Shall have successfully completed a two year accredited operator training program or equivalent industry recognized program. Shall have two years experience as an Operator Technician Trainee I and shall

have passed the required written and skills tests for the positions.

OPERATIONS TECHNICIAN TRAINEE I: An employee skilled in power plant or industrial process operations. Shall have successfully completed a two year accredited operator training program or equivalent industry recognized program. Shall have passed the required written and skills tests for the position.

MAINTENANCE WORKING FOREMAN: Assigns work and directs maintenance personnel. Assists in the training of maintenance personnel in all phases of power plant maintenance and related safety practices. Executes power plant preventive maintenance programs. Performs necessary corrective measures on malfunctions of equipment reported by generation facility operators. Assigns and performs work assigned by the Generation Superintendent. Orders spare parts and keeps parts inventory stocked. Prepares maintenance reports on plant equipment and maintains daily work progress log.

MAINTENANCE TECHNICIAN – CERTIFIED CHROME MOLY WELDER: Shall be a Journeyman in his craft with certification as a chrome moly welder. Is skilled in the repair and installation of boiler tube repair and the operation of welding equipment, power saws, drill press and appropriate tools in maintaining, repairing and making parts for plant equipment.

MAINTENANCE TECHNICIAN – MACHINIST: Shall be a Journeyman in his craft. Is skilled in the repair and fabrication of equipment parts and operation of machine lathes, milling machines, power saws, drill presses and appropriate tools in maintaining, repairing and making parts for plant equipment.

MAINTENANCE TECHNICIAN – GENERAL MAINTENANCE: Shall be a Journeyman in his mechanical craft.

INSTRUMENTATION, CONTROL AND ELECTRICAL TECHNICIAN: Shall be a Journeyman in his craft.

WATER TREATMENT SPECIALIST: An employee skilled in power plant water chemistry and industrial water treatment. Shall have successfully completed a two-year accredited water treatment program or equivalent industry recognized program. Shall have satisfactorily passed the required written and skills test for the position.

STOREKEEPER: An employee skilled in the purchase, receipt, storage, inventory and issuance of parts, materials, supplies, tools and equipment for the generation facilities.

PRODUCTION SPECIALIST II: An employee skilled in power plant electrical or mechanical maintenance. Shall have successfully completed one year as a Production Specialist I – Maintenance or equivalent and shall have passed the required written and skills tests for the position.

PRODUCTION SPECIALIST I: An employee with basic skills to assist in power